

REPORT - PLANNING COMMISSION MEETING
January 27, 2005

Project Name and Number: CENTERVILLE MARKET PLACE (PLN2005-00129)

Applicant: Charter Properties

Proposal: To consider a Finding of General Plan conformity regarding acquisition of the Cemetery Panhandle Parcel and Scenario Current Parcel, and disposition of real property related to the Disposition and Development Agreement (DDA) and Scenario Owner Participation Agreement (OPA), for a vertical mixed-use development (110 residential units and 58,000 gross square feet of retail space) on an approximately 6.6-acre. To consider recommendations to the City Council regarding adequacy and use of Mitigated Negative Declaration prepared for this project.

Recommended Action: Recommend to City Council.

Location: 37070 Fremont Boulevard in the Centerville Planning Area.

APN: 501-1426-6-1; 501-1426-8-3; 501-1426-10-2; 501-1426-11; 501-1426-4-3 [formerly 501-1426-5 and 501-1426-4-2]; portion of 501-1426-12-2)

Area: 6.6 acres

Owner: Redevelopment Agency of the City of Fremont (Agency) and two private property owners prepared to sell to the Agency

Agent of Applicant: Peter Stackpole, Loving& Campos, Architects Inc.

Environmental Review: A Mitigated Negative Declaration was prepared and circulated for this project.

Existing General Plan: Community Commercial

Existing Zoning: C-C(CSPC) Community Commercial District (Centerville Specific Plan)

Existing Land Use: The site was previously developed with a commercial shopping center. The majority of the shopping center has been demolished and only one building remains.

Public Hearing Notice: Public hearing notification is applicable. 170 notices were mailed to owners and occupants of property within a minimum radius of 500 feet from the site on the following streets: Fremont Boulevard, Thornton Avenue, Post Street, Bonde Way, Baine Avenue, and Maple Street. The notices to owners and occupants were mailed on January 14, 2005. A Public Hearing Notice was delivered to The Argus newspaper on January 10, 2005 to be published by January 13, 2004.

Executive Summary: The proposed Finding of General Plan conformity regarding acquisition of the Cemetery Panhandle Parcel (described below) and the Wofford Current Parcel (described below), and disposition of real property related to the Disposition and Development Agreement (DDA, as further described below) and Scenario Owner Participation Agreement (OPA, as further described below) is part of the entitlement process for a vertical mixed-use development (110 residential units and 58,000 gross square feet of retail space) on an approximately 6.6-acre site located in the Centerville Planning Area and Redevelopment Area. The proposed finding is one part of the entitlement process for a proposed Redevelopment project. Subsequent entitlements include approval of a Planned District rezoning, Preliminary Grading Plan, subdivision map and a private street. These entitlements will be considered by the Planning Commission at a future time.

Background and Previous Actions: In October 2003 the Redevelopment Agency Board concluded its developer selection process for the Centerville Unified Site (the "Site", located on Fremont Boulevard bounded by Bonde Way, Post Street and Thornton Avenue) and authorized the execution of an Exclusive Right to Negotiate Agreement (ERNA) with Charter Properties to negotiate the terms and conditions for the disposition and development of the Site as a mixed-use retail/residential development. On September 28, 2004, the business terms and a Conceptual Development Program (CDP) were approved by the Redevelopment Agency Board after extensive public input, including comments from HARB and the Planning Commission. In February 2005, the Redevelopment Agency Board and the City Council will review the Disposition and Development Agreement (DDA) between the Agency and Charter Properties that was negotiated using the approved business terms and CDP, together with related agreements, as further described below. Planning Commission must make findings of General Plan conformity regarding the DDA before the Redevelopment Agency Board and the City Council hearing. The DDA includes many recommended land use and design controls and standards. The accompanying exhibits (lettered as they appear in the DDA) reflect the proposed controls and standards. The Planning Commission hearing regarding the Preliminary and Precise Planned District and Preliminary Grading Plan is tentatively scheduled on February 24, 2005.

At their February 2005 public hearing on this project, the Redevelopment Agency Board and the City Council will consider approval and execution by the Agency of the following agreements (collectively, the Agreements): (1) a purchase and sale agreement for acquisition of an approximately 0.04-acre portion of the site (Cemetery Panhandle Parcel) by the Agency from the Centerville Presbyterian Church; (2) the DDA between the Agency and Charter Properties for disposition of the Site by the Agency and development of the project on the site by Charter Properties; (3) an acquisition, relocation, and owner participation agreement (OPA) among the Agency, Charter Properties, and Charles K. Wofford (Wofford) for acquisition by the Agency from Wofford of a portion of the site (Wofford Current Parcel), relocation of Wofford's business to a temporary off-site location, construction by Charter Properties of permanent relocation space within the project for Wofford's business, and acquisition by Wofford of such completed relocation space within the project for the permanent relocation of that business; and (4) approval as part of the Wofford OPA of an alternative disposition of an approximately 0.58-acre portion of the Site by the Agency to Wofford for relocation of his business if Charter Properties is unable to complete the intended project in-full;

Project Description: As part of the implementation of the Redevelopment Plan, the Redevelopment Agency designated the project Site as a Unified Development Area and has acquired, or is in the process of acquiring, parcels to facilitate private development of the Site. The proposed project is a mixed-use development with 58,000 gross square feet of pedestrian-oriented retail space lining both Fremont Boulevard and a new private street, called Market Street. Approximately 110 for-sale townhome-style housing units (17 below market rate) are also proposed. The housing units will be placed atop a podium deck covering most of the retail shops and restaurants as well as the ground level parking. Some key design considerations are as follows:

Public Plaza – Design and use. A public plaza will be the dominant focal point of Market Street and will contain a detached pavilion and a large water feature. Outdoor dining on the plaza will be encouraged, as well as the use of the plaza for regular outdoor entertainment and a Farmer's Market (see Exhibits J and Q).

Building materials. To ensure a quality development, the DDA includes building and site material standards for the project (see Exhibit F).

Housing mix. A diverse housing product, both in product size and configuration, is planned for the project in order to capture the target market which is primarily empty nesters, singles, seniors, and couples with no children. Housing types range from 950 square foot single story units to 1400 square foot two story units. Each unit will have no more than two bedrooms, and may vary in the number of bathrooms, the size and configuration of each room, and whether or not a den or other amenities are provided.

Retail Tenants. The DDA restricts the land uses that can occupy the retail space within the development (see Exhibit J). The development is expected to be anchored by four or five high quality restaurants with smaller food-oriented spaces and other retailers (including the relocated Scenario Game and Hobby) occupying the balance of the retail space. The Developer has letters of intent for 26,200 gross square feet of space from the following restaurants at this time:

- Milano Ristornante (3,100 square feet)
- Tamarine (7,000 square feet)
- Hong Kong Flower Lounge (13,600 square feet)
- Ray's Sushi (2,500 square feet)

Parking and traffic circulation. All parking for the project will be located at ground level, predominantly under the podium deck behind the retail businesses. Diagonal parking will also line Market Street. Each townhome has two parking spaces located in a secured area under its podium deck. This exceeds the City's parking requirement by half a parking space per unit (or 55 spaces). Required guest parking for the townhomes will be provided in the form of shared parking within the retail parking area as recommended by the Mixed Use Development Ordinance.

The retail area is parked at an average of 4.7 spaces per thousand square feet of retail (270 parking spaces in all). This exceeds the City's parking standard for a commercial center by approximately 44 spaces. When combined with the 11 spaces that will be available along the project boundary on Post Street, the proposed retail parking exceeds City requirements by 55 spaces. This level of parking exceeds the requirements of the City's Mixed-Use Development Ordinance, and is expected to provide ample opportunity for residential guest parking and extra parking for retail customers during peak hours. In the event that additional parking is required during peak hours, the Developer has agreed to pursue off-site valet parking opportunities.

Fremont Boulevard - Pedestrian amenities. Bulb-outs will be provided at the opening of Market Street to help calm traffic. Sidewalks will be a minimum of 14 feet deep to provide a suitable pathway for pedestrians.

Post Street - Pedestrian amenities and circulation. Bulb-outs will be provided at the opening of Market Street to help calm traffic and protect on-street parking areas. A traffic signal is proposed for Post Street and Thornton Avenue.

Market Street – Pedestrian amenities and circulation. Market Street is proposed as a private street to provide maximum flexibility for its design and use. Sidewalks will be a minimum of 14 feet wide to provide a suitable pathway for pedestrians and allow for potential café seating. Street maintenance will be the responsibility of the property owner. Seating will be provided in many locations up and down the street, but the majority will be provided as seating walls around the fountain in the plaza area and around the entry columns proposed for both sides of Market Street at Fremont Boulevard. Access points to parking garages off of Market Street will have mini-plazas, display windows and design details to ensure they appear open and welcoming to pedestrians.

General Plan and Zoning Conformance: The General Plan land use designation for the project site is Community Commercial Center. The following policies are applicable:

Policy LU 1.20: Mixed use (residential/commercial) is allowed in Commercial Districts as specified by the zoning regulations for the respective district in order to increase the vitality and activity within the commercial district.

Objective LE3.2: Thriving community commercial centers whose function is to provide a wide range of goods in a focused, identifiable, pedestrian oriented commercial area.

The project site is located in Subarea 1 of the Centerville Specific Plan. Figure C-2 of the Subarea 1 concept plan indicates a new shopping center to be located at the proposed project site. The land use objectives of the Centerville Specific Plan include:

- Enhance viable commercial districts in Centerville.
- Concentrate retail activities in the historic business district of Centerville.
- Promote pedestrian-oriented uses and spaces especially in the historic business district.

The City's acquisition and disposition of property will support these objectives by allowing the developer to create a new mixed-use development, with significant retail elements, and centered with a public plaza and new street which will enhance pedestrian uses.

The proposed development project is also in conformance with inclusionary housing requirements. The proposed mixed-use project is in conformance with the General Plan land use designation and provides affordable housing and neighborhood revitalization. The proposed Agreements and associated land acquisitions and dispositions meet City economic development goals and objectives of the General Plan. The proposed Agreements and associated land acquisitions and dispositions will be considered for approval by the Redevelopment Agency Board and the City Council in accordance with the requirements of the California Community Redevelopment Law. The applicant has submitted an application for a Preliminary and Precise Planned District that will be reviewed by Planning Commission in the near future.

The preferable land use of the Cemetery Panhandle Parcel is inclusion in the proposed project as part of the parking and landscaping. The Cemetery Panhandle Parcel is a narrow strip of land (twelve feet width) that the Centerville Presbyterian Church has never used for cemetery burial purposes, and no longer uses or needs for the function of the cemetery. The adjoining property to the southeast is already developed with a Taco Bell. A basic goal of redevelopment is the consolidation of odd shaped parcels into more easily developed properties.

Environmental Analysis: An Initial Study and Draft Mitigated Negative Declaration (Negative Declaration) has been prepared for this project. The Negative Declaration is intended to be used as the environmental review document under CEQA for a series of public approvals for the project, including, without limitation: (1) approval and implementation of the Agreements described above; (2) findings of General Plan conformance in connection with the above-described acquisitions and dispositions of land by the Agency; and (3) rezoning of the site to a Preliminary and Precise Planned District, and issuance of a Preliminary Grading Plan for the site and the project. The Negative Declaration includes mitigation measures to meet General Plan and Zoning standards, which, if implemented, would reduce the identified impacts to non-significant levels. These mitigation measures will be included in a Mitigation Monitoring Plan. A more detailed description of the potential impacts and mitigation measures are provided within the Initial Study for the project, which is included as an enclosure.

The Initial Study conducted for the project has evaluated the potential for this project to cause an adverse effect -- either individually or cumulatively -- on wildlife resources. There is no evidence the proposed project would have any potential for adverse effect on wildlife resources. Based on this finding, a Certificate of Fee Exemption will be submitted with the Notice of Determination after project approval by the City Council, as required by Public Resources Code section 21089 (see attachment to draft Negative Declaration). The Certificate of Fee Exemption allows the project to be exempted from the review fee and environmental review by the California Department of Fish and Game.

Based on the Initial Study, a finding is proposed that this project would not have a significant effect on the environment based upon the implementation of the identified mitigation measures. Accordingly, the Negative Declaration has been prepared for comment by the Planning Commission.

Enclosures: Exhibit "A" (Resolution)
DDA excerpts (Exhibits F, J, & Q)
Schematic site plan (informational)
Initial Study and draft Negative Declaration

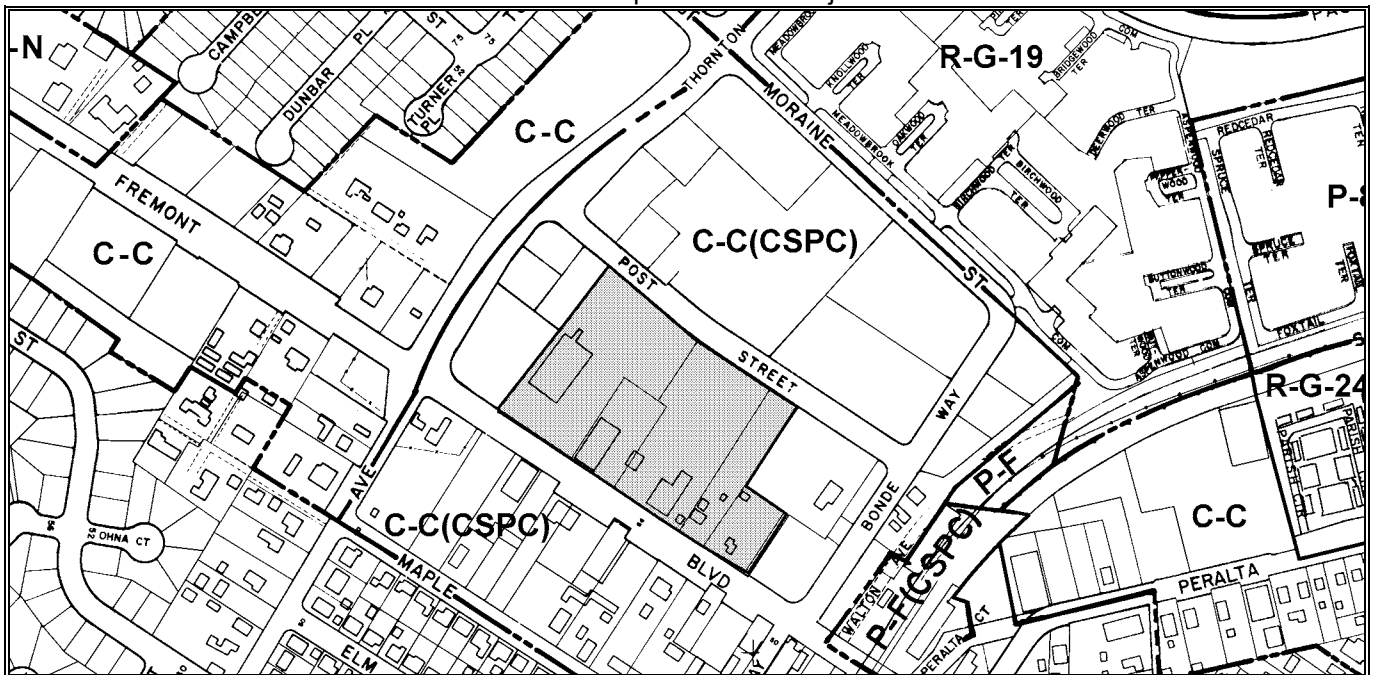
Exhibits: Exhibit "A" (Resolution)

Recommended Actions:

1. Hold public hearing.
2. Recommend the City Council find the Initial Study has evaluated the potential for this project to cause an adverse effect -- either individually or cumulatively -- on wildlife resources. There is no evidence the proposed project would have any potential for adverse effect on wildlife resources.

3. Recommend the City Council: (a) find that the proposed project would not have a significant effect on the environment based upon the implementation of the identified mitigation measures; (b) approve the Negative Declaration with a Certificate of Fee Exemption; and (c) find that the Negative Declaration reflects the independent judgment of the City of Fremont.
4. Find PLN2005-00129, and the related Agreements, land acquisitions and land dispositions are in conformance with the relevant provisions contained in the City's existing General Plan. These provisions include the designations, goals and policies set forth in the Resolution
5. Recommend PLN2005-00129 to the City Council in conformance with Exhibit "A" (Resolution).

Existing Zoning
Shaded area represents the Project Site



Existing General Plan

